



ARIZONA STATE SENATE
Fifty-Fifth Legislature, Second Regular Session

AMENDED
FACT SHEET FOR S.B. 1494

COVID-19 vaccine; unemployment insurance

Purpose

Prohibits the Department of Economic Security (DES) from disqualifying an individual from receiving unemployment insurance (UI) benefits based on the individual's separation from employment if the individual was terminated from employment for not receiving the COVID-19 vaccine or booster shot required by the employer.

Background

Arizona's UI Program is administered by DES for the benefit of persons unemployed through no fault of their own. When an employee is eligible for benefits, the state pays those benefits out of the UI Trust Fund, funded with Arizona's unemployment tax paid by employers. Employers also pay the federal unemployment tax, known as FUTA, which is collected by the federal government and is used to administer the UI Program at the federal and state levels ([A.R.S. Title 23, Chapter 4](#)).

In order to be eligible for UI benefits under federal law, an individual must be able and available to work and must actively seek work ([42 U.S.C. § 503](#)). Arizona employment security law further prescribes UI benefit eligibility, including requirements relating to efforts to obtain work, an unemployment waiting period and when an individual is deemed to be unemployed (A.R.S. §§ [23-621](#) and [23-771](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Prohibits DES from disqualifying an individual from receiving UI benefits based on the individual's separation from employment if the individual was terminated from employment for not receiving the COVID-19 vaccine or booster shot required by the employer.
2. Prohibits benefits paid to an individual from being charged against an employer's account if the employer's requirement that the employee receive the COVID-19 vaccine or booster shot is required by law.
3. Makes technical and conforming changes.
4. Becomes effective on the general effective date.

Amendments Adopted by Committee of the Whole

- Prohibits DES from disqualifying an individual from receiving UI benefits based on separation from employment if the individual was terminated due to not receiving the COVID-19 vaccine or booster shot, rather than if the individual leaves due to the employer's COVID-19 vaccine or booster shot requirement.

Senate Action

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Prepared by Senate Research

February 24, 2022

JT/sr